



STATE OF WISCONSIN

Senate Journal

Ninety–Eighth Regular Session

4:00 P.M.

THURSDAY, October 4, 2007

The Senate met.

The Senate was called to order by Chief Clerk Marchant, pursuant to Senate Rule 5 (4)(b).

The Chair, with unanimous consent, asked that the proper entries be made in the journal.

INTRODUCTION, FIRST READING, AND REFERENCE OF PROPOSALS; REFERENCE OF APPOINTMENTS

Read and referred:

Senate Joint Resolution 62

Relating to: the life and service of United States Army Specialist Eric D. Clark, who lost his life during Operation Iraqi Freedom.

By Senator Wirch; cosponsored by Representative Steinbrink.

To committee on **Senate Organization**.

Senate Joint Resolution 63

Relating to: the life and service of Staff Sergeant Robert J. Basham of the Wisconsin Army National Guard, who lost his life during Operation Iraqi Freedom.

By Senator Wirch; cosponsored by Representative Steinbrink.

To committee on **Senate Organization**.

Read first time and referred:

Senate Bill 278

Relating to: threatening or committing battery against certain employees of first class cities and providing a penalty.

By Senators Coggs, Plale, Roessler and Lassa; cosponsored by Representatives Zepnick, Colon, Honadel, Grigsby, Montgomery, Fields, A. Ott, Cullen, Hahn, Sinicki, Sheridan and Turner.

To committee on **Judiciary and Corrections**.

Senate Bill 279

Relating to: attractions displayed on highway specific information signs.

By Senators Breske, Schultz, Wirch, Erpenbach, Olsen and Ellis; cosponsored by Representatives Kaufert, M. Williams, Mursau, Ballweg, Gronemus, F. Lasee, LeMahieu, Nelson, Steinbrink, Townsend, Turner, Van Roy and Jorgensen.

To committee on **Transportation, Tourism and Insurance**.

Senate Bill 280

Relating to: authorizing an elective member of a political subdivision's governing body to refuse his or her salary.

By Senators Hansen, A. Lasee, Olsen, Risser, Roessler and Sullivan; cosponsored by Representatives Nygren, Smith, Ballweg, Berceau, Boyle, Gunderson, Hahn, Kerkman, Mursau, J. Ott, Petrowski and Turner.

To committee on **Ethics Reform and Government Operations**.

Senate Bill 281

Relating to: reporting requirements related to general transportation aids to local governments.

By Senators Hansen, Miller, Grothman, Roessler, Erpenbach and Lassa; cosponsored by Representatives Petrowski, Molepske and Turner.

To committee on **Ethics Reform and Government Operations**.

Senate Bill 282

Relating to: deduction of membership dues from retirement annuities under the Wisconsin Retirement System.

By Senators Hansen and Plale; cosponsored by Representatives Travis, Musser, Sheridan, Sinicki and Turner.

To joint survey committee on **Retirement Systems**.

Senate Bill 283

Relating to: the care and treatment of persons with Alzheimer's disease or related dementia in residential care facilities, providing an exemption from emergency rule procedures, and requiring the exercise of rule-making authority.

By Senators Darling, Coggs, Erpenbach, Lassa, Lehman, Wirch, Kreitlow and Hansen; cosponsored by Representatives Krusick, Hines, Benedict, Berceau, Black, Fields, A. Ott, J. Ott, Sheridan, Young, Pocan and Pope–Roberts, by request of Wisconsin Alzheimers Association Chapter Network; AARP–Wisconsin; Brain Injury Association of Wisconsin; Coalition of Wisconsin Aging Groups; Community Alliance of Providers of Wisconsin; Disability Rights Wisconsin; Independence First; Learning Disabilities Association of Wisconsin; Steinhauer Group, LLC; Wisconsin Board on Aging and Long–Term Care; Wisconsin Council on Developmental Disabilities; Wisconsin Coalition of Independent Living Centers, Inc..

To committee on **Public Health, Senior Issues, Long Term Care and Privacy**.

REPORT OF COMMITTEES

The committee on **Commerce, Utilities and Rail** reports and recommends:

Senate Bill 223

Relating to: expanding the area in which a tax incremental district's project costs may be expended.

Introduction of Senate Amendment 1.

Ayes, 7 – Senators Plale, Breske, Wirch, Hansen, Cowles, Harsdorf and Kedzie.
Noes, 0 – None.

Adoption of Senate Amendment 1.

Ayes, 7 – Senators Plale, Breske, Wirch, Hansen, Cowles, Harsdorf and Kedzie.
Noes, 0 – None.

Passage as amended.

Ayes, 7 – Senators Plale, Breske, Wirch, Hansen, Cowles, Harsdorf and Kedzie.
Noes, 0 – None.

JEFFREY PLALE
Chairperson

PETITIONS AND COMMUNICATIONS

**State of Wisconsin
Legislative Audit Bureau**

September 27, 2007

The Honorable, The Legislature:

We have completed financial audits of Mendota and Winnebago Mental Health Institutes for the period July 1, 2005, through June 30, 2006. The audits were requested by the Department of Health and Family Services to comply with requirements of the Joint Commission on Accreditation of Healthcare Organizations. We were able to express an unqualified opinion on each Institute's financial statements.

Mendota and Winnebago Mental Health Institutes are licensed and accredited hospitals that provide specialized diagnostic, evaluation, and treatment services for mentally ill children and adults. The Institutes also provide services to forensic patients referred to them through the criminal justice system. The Institutes are funded through a mix of general purpose revenue and program revenue.

Each Institute reported a financial gain for fiscal year 2005–06. Mendota reported a gain of \$1.2 million, and Winnebago reported a gain of \$1.8 million. In each case, operating revenues increased enough to offset increases in operating expenses, such as salary and fringe benefit costs. Further, each Institute reported a positive accounting balance, which is reflected in its financial statements as unrestricted net assets.

As part of our audit, we followed up on internal control concerns reported in our prior year's audit related to administration of approximately \$395,000 in client funds by the Program of Assertive Community Treatment, an outpatient unit of Mendota. To assist clients in managing their own money, staff receive and disburse funds on their behalf. In accepting client funds, the State is responsible for ensuring proper controls are in place to reduce the risks of error or misappropriation. While some improvements were made, internal control concerns remain related to client funds administered by the Program of Assertive Community Treatment, including a lack of separation of duties and limited oversight of operations.

We appreciate the courtesy and cooperation extended to us by Department of Health and Family Services staff during our audit. A response from the Department follows our report.

Respectfully submitted,
JANICE MUELLER
State Auditor

**State of Wisconsin
Department of Administration**

September 28, 2007

The Honorable, The Legislature:

This report is transmitted as required by s. 20.002(11)(f), Wisconsin Statutes, (for distribution to the appropriate standing committees under s. 13.172(3), Wisconsin Statutes) and confirms that the Department of Administration has found it necessary to exercise the "temporary reallocation of balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative cash balances during the month of August 2007.

On August 8, 2007, the **General Fund** cash balance closed at a negative \$441 thousand. This negative balance continued through August 9, 2007, when the fund's cash balance closed at a positive \$21.4 million. The negative balance was due to the difference in the timing of revenues and expenditures.

On August 1, 2007, the **Dry Cleaner Environmental Response Fund** cash balance closed at a negative \$30 thousand. This negative balance continued through August 2, 2007, when the fund's cash balance closed at a positive \$38 thousand. The negative balance was due to the difference in the timing of revenues and expenditures.

On August 1, 2007, the **Wisconsin Health Education Loan Repayment Fund** cash balance closed at a negative \$2 thousand. This negative balance continued through August 31, 2007, when the fund's cash balance closed at a negative \$2 thousand. The negative balance was due to the difference in the timing of revenues and expenditures.

The General Fund, Dry Cleaner Environmental Response Fund and Wisconsin Health Education Loan Repayment Fund shortfalls were not in excess of the statutory interfund borrowing limitations and did not exceed the balances of the funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund's share. Therefore, the monthly calculation by the State Controller's Office will automatically reflect the use of these temporary reallocations of balance authority, and as a result, the funds requiring the use of the authority will effectively bear the interest cost.

Sincerely,
MICHAEL L. MORGAN
Secretary

Referred to joint committee on **Finance**.

**State of Wisconsin
Department of Veterans Affairs**

September 28, 2007

The Honorable, The Legislature:

In accordance with Wis. Stats. s.45.35(3d)(b), the Wisconsin Department of Veterans Affairs and the Wisconsin Council on Veterans Programs jointly submit the biennial report to the Chief Clerk of each house of the Legislature for distribution to the Legislature under s. 13.172(2). The reports include a general summary of the activities and membership over the past two years of the Council on Veterans Programs and from each organization represented on the Council.

Inactive Council member organizations:

Veterans of WWI and the Federation of Minority Veterans (also known as the Federation for Culturally Diverse Veterans).

The information contained in the report was compiled by WDVA staff and the Council Chairman from materials submitted by the representative from each active organization on the Council.

Please do not hesitate to contact me at (608) 266-1315 for further information or assistance.

Sincerely,

WILLIAM J. KLOSTER

Acting Secretary

**University of Wisconsin
Hospital and Clinics**

September 30, 2007

The Honorable, The Legislature:

Pursuant to Chapter 233.04 of the legislation governing the operations of the University of Wisconsin Hospitals and Clinics Authority, enclosed is our 2006–2007 annual report on the patient care, education, research and community service activities and accomplishments of the authority, and an audited financial statement for the year.

For questions, or to receive additional copies, please contact Beth Fultz, UWHC Director of Corporate Communication, at 263–5967, bfultz@uwhealth.org.

Sincerely,

UW HOSPITAL AND CLINICS AUTHORITY

Pursuant to Senate Rule 17 (5), Senator Plale added as a coauthor of **Senate Bill 271**.

**REFERRALS AND RECEIPT OF COMMITTEE
REPORTS CONCERNING PROPOSED
ADMINISTRATIVE RULES**

Senate Clearinghouse Rule 07–004

Relating to price gouging during an emergency.

Submitted by Department of Agriculture, Trade and Consumer Protection.

Report received from Agency, October 3, 2007.

Referred to committee on **Small Business, Emergency Preparedness, Workforce Development, Technical Colleges and Consumer Protection**, October 4, 2007.

ADJOURNMENT

Chief Clerk Marchant, with unanimous consent, asked that the Senate adjourn until Tuesday, October 9, 2007.

Adjourned.

4:01 P.M.